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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER
NGUYEN, HIEP VAN

ART UNIT	PAPER NUMBER
3686	

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

	Application No.	Applicant(s)
Office Action Summary	10/821,408	SELLEN ET AL.
	Examiner	Art Unit	
	HIEP NGUYEN	3686	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS,
WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed
  after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any
  earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on <u>21 October 2008</u>.

2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is
closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) <u>1-28</u> is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) <u>1-28</u> is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a) ☐ All b) ☐ Some * c) ☐ None of:

        1. ☐ Certified copies of the priority documents have been received.

        2. ☐ Certified copies of the priority documents have been received in Application No. _____.

        3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage
application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☒ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date <u>07/06/2004</u>.

4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____

5) ☐ Notice of Informal Patent Application

6) ☐ Other: _____

U.S. Patent and Trademark Office

PTOL-326 (Rev. 08-06)   **Office Action Summary**   Part of Paper No./Mail Date 20081119

DETAILED ACTION

1.   Claims 1-28 have been examined. Claim 1 has been amended. No claims have

been added.

Continued Examination Under 37 CFR 1.114

2.   A request for continued examination under 37 CFR 1.114, including the fee set

forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this

application is eligible for continued examination under 37 CFR 1.114, and the fee set

forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action

has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on

10/21/2008 has been entered.

Claim Rejections - 35 USC § 101

3.   35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of
> matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the
> conditions and requirements of this title.

4.   Claims 1-28 are rejected under 35 U.S.C. 101 because the claimed invention is

directed to non-statutory subject matter.

5.   Claims 1 and 17 are directed to a method. Specifically, Claims 1 and 17 recite

"receiving an electronic representation, determining the promissory payment, special

rule database, acquiring, evaluating an electronic profile...." However, this is merely

software, and it has been held that software without a required computer-readable

medium-storing the software that, when executed, causes the computer to perform a

particular process or method (MPEP 2106.01) is merely nonfunctional descriptive

material and non-statutory under 35 U.S.C. 101.

Claims 2-16, and 18-28 are rejected as each depends from claims 1 and 16

respectively.

Claim Rejections - 35 USC § 102

6.   The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that

form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

7.   Claims 1-28 are rejected under 35 U.S.C.102(b) as being anticipated by

Templeton et al. (US 2003/0130919.)

8.   With respect to claim 1, Templeton et al. teaches a method of processing

electronic promissory payments made by a customer to a merchant, the method

comprising:

        a.   receiving an electronic representation of a promissory payment that

        includes an identification of the customer account and the merchant ('919;

        Paragraph 0049; Paragraph 0066: internal database with customer and merchant

information; Fig 2- internal database 156: check-writer information, merchant

information, and negative database.)

b.   determining whether the payment can be submitted for subscriber

settlement by evaluating a special rules database to determine whether the

customer's transactions are subject to a special rule ('919; Paragraphs. 0064;

0071: negative database), wherein the special rules database comprises a

plurality of records associated with customers, a plurality of records associated

with financial institution accounts, a plurality of records associated with financial

institution branches, and a plurality of records associated with past financial

transactions and wherein each record of the special rules database is associated

with a rule defining an alternative resolution strategy for handling the promissory

payment ('919; Paragraph 0071-0074; Fig. 3: Database of DDA information-

Decision systems 182; Paragraph 0077:);

c.   submitting the promissory payment to the customer's financial institution

electronically if it is determined that the transactions of the customer are not

subject to a special rule ('919; Figs. 2 and 3: issue bank; Paragraph 0059 send

check to the check-issuing bank) ; and

d.   applying the special rule if it is determined that the transactions of the

customer are subject to a special rule ('919; Paragraph 0066-0068, 0072.)

The Examiner notes the recited "if" in the limitations does not distinguish the

claimed invention. This phrase is conditional limitation with the noted "if" step that is not

necessary performed. Accordingly, once the positively recited steps are satisfied, the

method as a whole is satisfied, regardless of whether or not other steps are

conditionally invocable under certain other hypothetical scenarios. [See: In re Johnson,

77 USPQ2d 1788 (CA FC 2006); Intel Corp. v. Int'l Trade Comm'n, 20 USPQ2d 1161

(Fed. Cir. 1991); MPEP 2106 II C].

2.   With respect to claim 2, Templeton et al. evaluating the special rules database

includes identifying the customer's financial institution associated with at least one of an

account number, a routing number, and an alternative routing number ('919; Paragraph

0066: negative database with account information.)

3.   With respect to claim 3, Templeton et al. teaches wherein evaluating the special

rules database includes determining if the special rule comprises printing the electronic

representation of the payment as a paper drafted check for submission to the clearing

house ('919; Paragraph 0160, lines 1-7.)

        The Examiner notes the recited "if" in the limitations does not distinguish the

claimed invention. This phrase is conditional limitation with the noted "if" step that is not

necessary performed. Accordingly, once the positively recited steps are satisfied, the

method as a whole is satisfied, regardless of whether or not other steps are

conditionally invocable under certain other hypothetical scenarios. [See: In re Johnson,

77 USPQ2d 1788 (CA FC 2006); Intel Corp. v. Int'l Trade Comm'n, 20 USPQ2d 1161

(Fed. Cir. 1991); MPEP 2106 II C].

4.   With respect to claim 4, Templeton et al. teaches wherein applying the special

rule includes submitting the paper drafted check to the customer's financial institution

('919; Paragraph 0157, lines 1-6, Paragraph 0160, lines 1-7.)

5.   With respect to claim 5, Templeton et al. teaches applying the special rule

includes submitting a pre-authorized check or PAC item ('919; Paragraph 0050, lines 1-

15.)

6.   With respect to claim 6, Templeton et al. teaches evaluating the special rules

database includes determining if the special rule comprises submitting the electronic

representation of the payment to the customer's financial institution via a direct

electronic access system ('919; Paragraph 0089, lines 8-12, Paragraph 0058, lines 9-

14.)

        The Examiner notes the recited "if" in the limitations does not distinguish the

claimed invention. This phrase is conditional limitation with the noted "if" step that is not

necessary performed. Accordingly, once the positively recited steps are satisfied, the

method as a whole is satisfied, regardless of whether or not other steps are

conditionally invocable under certain other hypothetical scenarios. [See: In re Johnson,

77 USPQ2d 1788 (CA FC 2006); Intel Corp. v. Int'l Trade Comm'n, 20 USPQ2d 1161

(Fed. Cir. 1991); MPEP 2106 II C].

7.   With respect to claim 7, Templeton et al. teaches applying the special rule includes submitting the electronic representation of the payment to the customer's financial institution via the direct electronic access system ('919; Paragraph 0058, lines 9-14.)

8.   With respect to claim 8, Templeton et al. teaches evaluating the special rules database includes determining if the special rule comprises the use of an alternative routing transit number ('919; Paragraph 0088, lines 1-8.)

    The Examiner notes the recited "if" in the limitations does not distinguish the claimed invention. This phrase is conditional limitation with the noted "if" step that is not necessary performed. Accordingly, once the positively recited steps are satisfied, the method as a whole is satisfied, regardless of whether or not other steps are conditionally invocable under certain other hypothetical scenarios. [See: In re Johnson, 77 USPQ2d 1788 (CA FC 2006); Intel Corp. v. Int'l Trade Comm'n, 20 USPQ2d 1161 (Fed. Cir. 1991); MPEP 2106 II C].

9.   With respect to claim 9, Templeton et al. teaches applying the special rule includes submitting the electronic representation of the promissory payment to the

customer's financial institution using the alternative routing transit number ('919;

Paragraph 0089, lines 9-12.)

10.   With respect to claim 10, Templeton et al. teaches evaluating the special rules

database includes determining if the special rule comprises the use of an alternative

account number ('919; Paragraph 0088, lines 1-8.)

The Examiner notes the recited "if" in the limitations does not distinguish the

claimed invention. This phrase is conditional limitation with the noted "if" step that is not

necessary performed. Accordingly, once the positively recited steps are satisfied, the

method as a whole is satisfied, regardless of whether or not other steps are

conditionally invocable under certain other hypothetical scenarios. [See: In re Johnson,

77 USPQ2d 1788 (CA FC 2006); Intel Corp. v. Int'l Trade Comm'n, 20 USPQ2d 1161

(Fed. Cir. 1991); MPEP 2106 II C].

11.   With respect to claim 11, Templeton et al. teaches applying the special rule

includes submitting the electronic representation of the promissory payment to the

customer's financial institution using the alternative account number ('919; Paragraph

0088, lines 1-8.)

12.   With respect to claim 12, Templeton et al. teaches receiving electronic

promissory payments comprises generating an electronic profile relating to the

customer using electronic check conversion ('919; Paragraph 0162, lines 1-10.)

13.   With respect to claim 13, Templeton et al. teaches applying the special rule

comprises submitting the electronic representation to the customer's financial institution

and transferring funds from the customer's account using electronic fund transfer ('919;

Paragraph 0058, lines 9-14.)

14.   With respect to claim 15, Templeton et al. teaches the method further comprises

performing a risk assessment relating to processing electronic promissory payments

using the electronic representations of the promissory payments ('919; Abstract, lines 1-

6.)

15.   With respect to claim 16, Templeton et al. teaches updating the special rules

database in a manner so as to record previous submissions by the customer ('919;

Paragraph 0081, lines 1-15.)

16.   With respect to claim 17, Templeton et al. teaches a method of settling a financial

transaction between a customer and a merchant using a routing mechanism ('919;

Paragraph 0089, lines 1-13), the method comprising:

acquiring an electronic profile relating to the customer, wherein the electronic

profile can be used to transfer funds from the customer's financial institution

('919; Paragraph 0025);

evaluating the electronic profile using a special rules database having previously

stored electronic information relating to the customer in a manner so as to

identify a special rule; and requesting settlement of the financial transaction with

the customer's financial institution using the electronic profile and the special

rule, wherein the special rule identifies the manner in which the finds can be

transferred from the customer's financial institution ('919; Paragraph 0049;

Paragraph 0066: internal database with customer and merchant information; Fig

2- internal database 156: check-writer information, merchant information, and

negative database; Paragraph 0088.)

17.   With respect to claim 18, Templeton et al. teaches identifying the special rule

includes identifying that the financial transaction requires printing of a paper drafted

check ('919; Paragraph 0160, lines 1-7.)

18.   With respect to claim 19, Templeton et al. teaches printing the paper drafted

check includes printing a drop-to-draft check ('919; Paragraph 0160, lines 1-7.)

19.   With respect to claim 20, Templeton et al. teaches requesting settlement of the financial transaction comprises submitting the printed paper drafted check to the clearing house to settle the financial transaction ('919; Paragraph 0160, lines 1-10.)

20.   With respect to claim 21, Templeton et al. teaches identifying the special rule includes identifying that the financial transaction requires the use of a direct electronic access system ('919; Paragraph 0089, lines 8-12, Paragraph 0058, lines 9-14.)

21.   With respect to claim 22, Templeton et al. teaches requesting settlement of the financial transaction comprises submitting the electronic profile to the customer's financial institution using the direct electronic access system ('919; Paragraph 0058, lines 9-14.)

22.   With respect to claim 23, Templeton et al. teaches evaluating the special rules database includes evaluating pre-recorded electronic information relating to either the customer or the customer's financial institution ('919; Paragraph 0086, lines 1-14.)

23.   With respect to claim 24, Templeton et al. teaches evaluating the pre-recorded information comprises evaluating a previous check writing history relating to either the customer or the customer's financial institution ('919; Paragraph 0089 lines 6-12.)

24.   With respect to claim 25, Templeton et al. teaches identifying either the customer

or the customer's financial institution associated with at least one of an account number,

a routing number, and an alternative routing number ('919; Paragraph 0081, lines 1-15.)

25.   With respect to claim 26, Templeton et al. teaches the method further comprises

generating a risk score indicative of the risk associated with the financial transaction

('919; Paragraph 0093, lines 1-5)

26.   With respect to claim 27, Templeton et al. teaches updating the special rules

database in a manner so as to record previous electronic profiles relating the customer

('919; Paragraph 0089, lines 1-13.)

27.   With respect to claim 28, Templeton et al. teaches evaluating the electronic

profile further comprises developing at least one special rule relating to at least the

customer ('919; Paragraph 0089, lines 1-13.)

Claim Rejections - 35 USC § 103

28.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

29.   Claim 14 is rejected under 35 U.S.C. 103(a) as being unpatentable over

Templeton et al. in view of Allan (US 2003/0055756.)

30.   With respect to claim 14, Templeton et al. teaches wherein applying the special

rules comprises submitting the electronic representation to the customer's financial

institution directly and transferring funds from the customer's account direct connect,

On-Us processing ('919; Paragraph 0058.) However, Templeton et al. does not direct

show account direct connecting of On-us processing. Allan teaches an On-us

transaction (Page 4, paragraph 0040.)

Therefore it would have been obvious to one of ordinary skill in the art at the time

the invention was made to modify Templeton et al. taught by Allan and include Allan's

On-us transaction in Templeton et al.

Response to Arguments

31.   Applicant's arguments filed 10/21/2008 have been fully considered but they are

not persuasive.

32.   In the remarks filed October 21, 2008, Applicant argues that the Templeton et al.

reference does not disclose evaluating the electronic profile using a special rules

database having previously stored electronic information relating to the customer in a

manner so as to identify a special rule

33.   In response to Applicants' arguments, the Examiner respectfully disagrees on the

inaction of the teachings of Templeton et al. regarding using special rules database.

Templeton et al. discloses the negative database, in a check approval system, that

stores customer and merchant information in order to identify the manner the funds can

be transferred. Therefore given the broadest reasonable interpretation to one of

ordinary skill in the art, it is submitted that the database in the teaching of

Templeton et al. is in a form of a special rules database.

Conclusion

34.   The prior art made of record and not relied upon is considered pertinent to

applicant's disclosure.

34.   Any inquiry concerning this communication or earlier communications from the

examiner should be directed to HIEP NGUYEN whose telephone number is (571) 270-

5211. The examiner can normally be reached on Monday through Friday 7:30AM-

5:00PM.

35.   If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Jerry O'Connor can be reached on (571) 272-6787. The fax phone number

for the organization where this application or proceeding is assigned is (571) 273-8300.

36.   Information regarding the status of an application may be obtained from the

Patent Application Information Retrieval (PAIR) system. Status information for

published applications may be obtained from either Private PAIR or Public PAIR.

Status information for unpublished applications is available through Private PAIR only.

For more information about the PAIR system, see http://pair-direct.uspto.gov. Should

you have questions on access to the Private PAIR system, contact the Electronic

Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a

USPTO Customer Service Representative or access to the automated information

system, call 800-786-9199 (IN USA OR CANADA) or (571) 272-1000.

Hiep Nguyen   /H. N./
Examiner, Art Unit 3686
November 20, 2008

                                                        /Gerald J. O'Connor/
                                                    Supervisory Patent Examiner
                                                        Group Art Unit 3686